

STAND. COM. REP. NO.

2712

Honolulu, Hawaii

MAR 02 2018

RE: S.B. No. 2602
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2602 entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose and intent of this measure is to ensure compliance with the State Procurement Code by executive departments, divisions, and agencies.

Specifically, this measure requires the State Procurement Policy Board to annually review and examine procurement contracts that are over \$50,000 of a minimum of two executive departments, divisions, or agencies.

Your Committee did not receive any written comments on this measure.

Your Committee finds that ensuring compliance with the State Procurement Code is essential to maintain public confidence in government. Your Committee further finds that the compliance examinations required by this measure will increase governmental compliance, efficiency, and transparency.

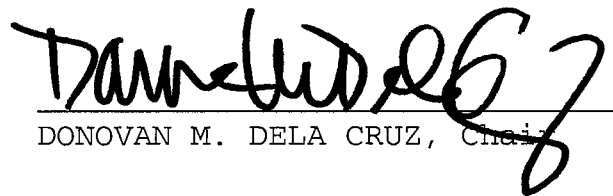


Your Committee has amended this measure by:

- (1) Clarifying that the State Procurement Policy Board shall prioritize the review of departments, divisions, or agencies based upon a pattern of noncompliance or based upon circumstances that may indicate an intent to circumvent the State Procurement Code;
- (2) Clarifying that in addition to the departments, divisions, or agencies prioritized by this measure, the State Procurement Policy Board shall also select any department, division, or agency for a compliance examination, provided that the selection may be random or as otherwise authorized by law;
- (3) Changing the effective date to January 1, 2050, to facilitate further discussion on the measure; and
- (4) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2602, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2602, S.D. 1.


Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


DONOVAN M. DELA CRUZ, Chair



The Senate
 Twenty-Ninth Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB 2602	Committee Referral: GVO, WAM	Date: 2/21/18		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
ENGLISH, J. Kalani	X			
GALUTERIA, Brickwood	X			
HARIMOTO, Breene	X			
INOUYE, Lorraine R.	X			
KAHELE, Kaiali'i	X			
KIDANI, Michelle N.	X			
RIVIERE, Gil	X			
SHIMABUKURO, Maile S.L.				X
WAKAI, Glenn	X			
TOTAL	10	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes